

cheaper in these days". I never thought then that the Government would exhibit such callous indifference to a question that vitally affects every one of his Highness' subjects.

Deputy President.—There is as much depression out side as in this State.

Mr. E. Ikkanda Warriar.—That may be so, Sir. It may be a world-wide depression. But every responsible Government is taking measures to fight out the economic forces. What are we doing? We sit idle and say, we are helpless. "To-morrow the price will go high. A ship will come. Our articles will go out and bring money to us". Sir, it is not enough if we do this. Any amount of money spent on this will not be wasted. We are drifting from bad to worse every day. A committee should at once be appointed to go into this question fully. If you have no proper men here, get experts from outside and pay them liberally. If you cannot spend money on experts from outside, let us be satisfied with the men that we have. Let a small committee collect the necessary informations and statistics, study the situation here and outside and suggest remedial measures. Its recommendations will be of great help to the Government as well as to the people. I therefore submit that it is a very urgent matter and it is a thing that should not be so lightly dismissed. I request every Member of the House to support this resolution.

Dr. A. R. Menon.—Are you in a position to give us some information whether the Travancore Darbar has taken any steps in this direction?

Mr. T. M. Krishna Menon.—I can't say.

The resolution was then put to the vote of the House and carried, Government voting against.

(12). Co-operative Societies' Rules.

Mr. C. V. Kuriyan.—I beg to move the following resolution.—

"This Council recommends to the Government to abrogate or repeal the new rules framed under the Co-operative Societies Regulation and lately published in the Gazette dated 19th Karkadagam 1104, Part I, page 695."

Before I move this resolution I may draw the attention of the Council to the objects achieved by the co-operative movement. The co-operative movement is essentially a non-official movement so that the management and custody of the movement should be regulated mainly by the non-official bodies constituting the societies. The Government's duty in that connection is, so far as I am aware, to supervise the management of such associations and also to co-operate with the members in attaining the objects aimed at. So the Government's function should be to co-operate with the non-officials to make the movement a success. Instead of that to enter in an unjust

manner into the procedure or the working of the movement will not be warranted by the scope and object of that movement. Now the rules framed by the Ex-Diwan on 19th Karkadagam 1104 not only cut at the root of the movement but stifles all the energy and all the exertions that may be properly utilised by a non-official body. Now a perusal of the sections will convince every Member here that the Head of the Co-operative Department has been invested with such powers that he may be practically called an autocrat. No Hon'ble Member sitting on Treasury Benches is invested with such wide powers as the Head of the Department who is in charge of the Co-operative Societies. Even though the Regulation is only framed under the guise of rules framed under the Co-operative Regulation, in fact if we go and examine every clause there, we find that it is not merely an adjectival law that has been passed by the Diwan but it is purely and substantially a substantive law which goes against the very principle of the Co-operative movement. I had occasion to examine certain Regulations and Rules passed by the Madras Co-operative Societies and most of the provisions are not incorporated. He has taken some of the provisions from there, some of the provisions from certain other places, and also, included some of the original clauses which do not find a place anywhere in any other Presidency. I refer particularly to section 24. Now section 24 deals with reference to arbitration. As most of us come from the Bar we all know that proceedings in arbitration are cut down by certain formalities to be gone through. If such formalities are to be gone through the award passed by an arbitrator has got the force of a decree in a court of law. It is extremely difficult to set aside it in a civil court. Such an award, having the binding force like a civil court decree, is under the Regulation considered to be an award which can be set aside by the Registrar according to his whims and fancies. He has been invested with the power to refer any matter under dispute to arbitration, or to decide that matter by himself. If the matter is referred to arbitration then there is a final order. Even that award passed by the arbitrator can be set aside at the desire of the Registrar. That shows that even for that award it will not have any binding force unless the Registrar gives his seal and assent. Such a procedure is too hard and it does not give any benefit to the parties concerned in the dispute. Now the reference to arbitration is under section 24.

"Any dispute touching the business of a Society between members or past members of the Society or persons claiming through a member or past member or between a member or past member or persons so claiming and the Committee or any officers or between any two societies shall be referred to the Registrar. The Registrar on receiving notice of such a dispute shall at his discretion

- (a) decide the dispute himself, or
- (b) refer the parties to a Civil Court.
- (c) refer the dispute to arbitration.

If the award is passed under sub-section (7), in the same clause which reads,

"The Registrar may by order modify or correct an award where award is upon a matter not referred to arbitration or where the award is imperfect in form or contains any obvious error which can be corrected without affecting the decision of the arbitrators or where the award contains a clerical mistake or an error arising from an accidental slip or omission."

Now the Registrar of Co-operative Societies is given ample powers to modify an award passed by the arbitrators.

Under section 29 the Registrar is invested with powers of declaring any proceeding passed by a general body meeting, I may say, absolutely invalid. Section 29 reads as follows:—

"The Registrar shall have power to declare the proceedings of a meeting invalid, if it was found after enquiry that the same was not held in accordance with the accepted procedure of holding such meeting or he may at his discretion expunge any of the resolution passed at a general meeting if in his opinion it does not fall within the legitimate working of the society or if he thinks that it will in any hamper the smooth working of the same."

Now that section takes in two aspects. Now he can declare any proceedings invalid. He can also expunge a resolution passed by a general body meeting. If he is invested with that provision which gives him power of overriding the wishes of the general body meeting of any Society, I say that he is invested with such autocratic powers. Now take any Head of Department. He has power only to refuse. He has not got the power to modify orders. Even there, if the orders are passed the party aggrieved by the order has got the right of appeal. Now in this case there is no provision made for appeal to higher authorities. He is all in all. Then again the Registrar is invested with ample powers to summon a general body meeting. Now a general body meeting is generally summoned by the committee or by a majority of the members constituting that society. Now supposing the members are not willing to convene a general body meeting, the Registrar can issue a notice that at such and such a time and place you are summoned for a meeting. Now supposing the parties do not obey that order he has got a further privilege. Then such matters as have been passed at a general body meeting, shall be binding on all the members. He may say "well, I think that such matters which should have been passed by a general body meeting are deemed to have been passed in my discretion." His own discretion of the matter will suffice to have the force of a resolution passed at a general body meeting. Not only that, even if it is passed by a general body he can expunge. Now such powers vested in an officer, especially of a minor Head of a Department, seems to be unwarranted by any circumstance attending on the co-operative movement.

Dr. A. R. Menon.—I want to know whether the Registrar here possesses any power more than what the Registrars in Madras and else where possess.

Mr. C. V. Kuriyan.—I am not in a position to say that. My information is that some provisions included here are not there.

Dr. A. R. Menon.—Oh, O yes, you can't say.

Mr. C. V. Kuriyan.—In any case these provisions are altogether unwarranted and justice, equity and good conscience, forbid them. That is my argument. One can see through things. Sir, I would invite the attention of the House to section 37 which runs as follows:—"At the request of the general body or at his own discretion the Registrar may suspend the working of a society or entrust a local or another recognised non-official body registered under the Regulation with the work of its rectification or of winding up the whole business before resort is made to cancellation under section 39 of the Regulation." Now this also empowers the Registrar to suspend the working of the society. Now this suspension of the working is done at his own instance, not by consulting members constituting the society. It is extremely desirable that the members should be consulted before he can suspend the working. This provision is included here. Not only that, it is extremely an unfortunate matter that, in the rules framed by the Ex-Diwan, the provision relating to the appeal has been expressly excluded. There was a provision in the original rules under sections 42 and 43, that the aggrieved party may appeal to the Diwan. Now that has been expunged in the present Regulation. When all these points are considered, that the Head of the Department in charge of the Co-operative Societies is invested with such unwarranted powers, it may not be necessary for him to have these powers, when we consider that the co-operative movement is working on non-official lines. My resolution is only to repeal the rules framed by the Ex-Diwan in this matter.

Mr. K. J. Antony.—I second the resolution.

Dr. A. R. Menon.—Sir, the House is well aware that I am in a way responsible for dragging this department in the lime-light of public criticisms and especially to submit it to severe criticisms in this House. I addressed a series of questions to the Government in relation to the Co-operative Central Bank, which questions the Government were not able to answer on technical grounds, that the affairs of a bank should not be revealed. I was really gratified when I saw the Administration Report issued by the Government making use of all these questions and giving a crushing reminder that things are not what they ought to be and that there must be an improvement in the department. Now, during all this time, either the units of the Co-operative Department or the officers in it had the least

complaint against the power possessed by the Registrar. The Registrar was a very nice man and was a very good man provided he allowed the other people to do what they liked.

But the moment, either on his own initiative or on account of the action taken by the Government, he begins to come out into the scene, there is a hue and cry against that officer. An officer who was very good, exceptionally good, in the opinion of the same gentlemen, has turned out to be a very bad man. That is a preface.

Deputy President.—You have got only ten minutes. I am reminding you of your time for speech.

Dr. A. R. Menon.—It does not require to answer the speech. I want the House to understand that such questions are cropping up occasionally. Now, Sir, I find it very difficult to answer the speech because I put a question to him, I think a very legitimate question. I asked him whether the Registrar in the Cochin State possesses wider powers than his compeer in British territory and if he is in a position to tell me what those powers are, I would have been in a position to understand and appreciate his stand-point. I take it for granted that this co-operative movement is a very good movement indeed. It has attracted the attention of a large number of officials to bring it to the present standard. It would certainly not have been meddled with by the Madras or other Governments unless they have some sufficient reason that, in the interests of the movement itself, such restriction should be imposed on the societies. That question remains unanswered. Therefore, there is no use of going and reviewing the various sections and saying that the officer possesses autocratic powers. It may be that he possesses them and it may be that autocratic powers should be invested in him in order that he may counteract the various things that may take place in societies, especially in societies where the members may not be very well educated or are not in a position to understand their responsibilities and their rights. Therefore, till the mover shows to this House that extraordinary autocratic powers are vested in this officer as a special case in the Cochin State, till he shows that, and till he shows, the conditions being similar as in other parts, such powers are unnecessary, this House should not meddle with the Regulation that has been passed by the Government; and further these Regulations have been passed only lately. There is no harm in waiting for a few months to see how the society is working. If it is working better, what is the objection? What is the complaint except that feeling, that personally that feeling is wounded, which is a minor thing. If

after experimenting for one year or two years, Government are convinced or if we are convinced that these powers ought to be taken, then, I submit, it is the time to come forward to make the necessary alterations. These things should not be altered every three or four months simply because one Member wants so. Government should not be influenced by such considerations; the House should not be influenced by such considerations; the House must be very careful in meddling with Regulations that have been passed by those who have studied the subject and by those who are responsible for the proper working of such a department. We can only offer such criticism and not meddle with Regulations unless we are convinced ourselves that such a Regulation is unnecessary. But the difficulty is that the Member himself does not know what he is talking, what his grievances are. I asked him and he says he wants notice. My legal friend in the legal capacity said he wants notice. What I say is we will wait till the Member himself has studied the question and then he will be in a position to answer our points without claiming notice. When the House is convinced that a grave injustice has been done to the society then I myself shall support the measure. In the present circumstances I shall ask the House to consider. The movement is working gradually and you do not know what all things took place. As the President said that time is limited, it is not time to wash the dirty linen in public. I know it. I have stated I am requested not to reveal certain things in public. Are you satisfied?

Mr. P. Krishna Menon.—No.

Dr. A. R. Menon.—Then you take me to be a liar. One of the two things you may believe, either I am telling a lie or I am requested not to reveal certain things in public. Do you want the name of the persons?

Mr. P. Krishna Menon.—Yes.

Dr. A. R. Menon.—It is better not to ask me. Therefore gentlemen, it would be better to leave it alone with the co-operative society. It is not a thing to be played with in this House for the sake of this person or that person. Let the persons go to the devil, let us see only to the society and its working. Therefore, I ask you not to meddle with the society.

Deputy President.—Anybody else.

Mr. A. B. Salem.—Government view may be ascertained.

Deputy President.—Government is not prepared to change the rules. They were passed only recently.

Mr. K. P. Kannan Nayar.—Are all these 40 rules to be repealed? Even the definition? What is the scope of the resolution?

Deputy President.—If you are prepared to repeal, alright. No case is made out for repeal. Do you want to put it to votes?

Mr. V. Achyuta Menon.—I want to know whether the decision of the Registrar is final.

Deputy President.—That is in the Regulation.

Mr. E. Ikkanda Warriar.—Were these rules published in the Gazette?

Rama Varmha Tampuran.—Yes.

Mr. E. Ikkadna Warriar.—Were objections raised?

Rama Varmha Tampuran.—A few objections were received. They were considered.

Mr. C. J. Mathew.—Are you sure whether there is any abuse of the powers given to him?

Rama Varmha Tampuran.—So far as I know I don't think there is any real abuse of powers.

Mr. K. P. Kannan Nayar.—That is with reference to the person and not to the rules

Rama Varmha Tampuran.—Sir, these rules were framed because the Registrar found it very difficult to tackle with several difficult situations that arose in the case of these societies. As some of the Hon'ble Members correctly stated, the members of these societies are often, rather, new to this sort of work. And therefore what happens is, the Panchayat body of that institution may so manipulate as to have all the power within their hands, with the result that if one or two of the influential members go out of their way and want to drag in the society to a court, either for their own personal end or something else of the kind, the Registrar has no power to hold them back. It is simply to give the Registrar some powers under such circumstances that these rules were framed. In short, if things are allowed to drift it was more or less sure that the morale of the whole movement would be completely lost and it would be difficult to reclaim lost ground. It was absolutely for these reasons that these rules were framed.

Mr. Thomas Manjuran.—Do these rules exist in British India?

Rama Varmha Tampuran.—Most of them do exist in Mysore, Baroda and in British.

When they were published for criticism only very few societies raised criticisms at all. Only 19 raised any criticism at all. There were 16 representations out of 176 working societies. Only such a small number of criticisms came up. There was no necessity for alteration of the original rules. That is the report.

Deputy President.—Any abuse of the rules?

Rama Varmha Tampuran.—Those rules may be corrected.

Mr. P. Krishna Menon.—If it is a case of the abuse of the rules it is the person and not the rules that is at fault.

Rama Varmha Tampuran.—The rules could be modified. There is no objection on that ground. As the Member for Trichur states it is rather too early to say one way or the other so long as things are moving smoothly. If by experience, we see that the rules are working badly there is no difficulty to reconsider the matter.

Mr. C. V. Kuriyan.—Even the governments of almost all the important places Mysore, Bombay and several other places, have not incorporated all these drastic provisions. The Secretary himself admits, this is a combination of all rules existing elsewhere. I fail to see the rationale of such inclusion of all the rules in several parts. Now with regard to the observations made by the Member for Trichur I fail to see why he was so angry. Out of fairness to the Head of the Administration, I abandoned the resolution standing in my name, item No. 9. In my opinion the Member has mistaken my object in moving the resolution No. 12. Now if that resolution No. 9, tabled by me, was moved many things would have been brought to the light of the day which I really wanted to avoid. I have facts before me on my table and I thought it better not to divulge such things.

Regarding the observations made by him on resolution No. 12, what he said was no answer to the arbitrary power vested in the Registrar. It was no appropriate answer to the explanation given by me of the powers vested under the rules. It is a sort of discussion on the resolution which was unwarranted in this Council. It shows a line of thought not appropriate to the discussion before us, but a line of thought which emanated from the heart out of some deep interest which I cannot explain to this House. If I were to explain, I think it will be demeaning myself like him. So I refuse to say that.

Deputy President.—You don't want to put it to the votes.

Mr. C. V. Kuriyan.—I want only to bring this to the notice of the House. I withdraw.

The resolution was withdrawn with the leave of the House.

13. Seating arrangements in Public Offices.

Mr. K. Ayyappan.—“This Council recommends to the Government to make adequate seating arrangements in all the public offices such as Registrars' Offices, Courts, etc., for all those who go there on business irrespective of their social position”.